This record is a partial extract of the original cable. The full text of the original cable is not available.

C O N F I D E N T I A L SECTION 01 OF 02 TEL AVIV 004059

SIPDIS

E.O. 12958: DECL: 06/24/2015

TAGS: PREL KWBG PTER EAID IS GOI INTERNAL GAZA DISENGAGEMENT ISRAELI PALESTINIAN AFFAIRS SUBJECT: AMOS GILAD ON PA POLITICS, DISENGAGEMENT PLANNING

Classified By: Ambassador Daniel C. Kurtzer for reasons 1.4 (b) and (d)

11. (C) Summary: Ministry of Defense Political-Military bureau head Maj. Gen. Amos Gilad told EconCouns that the high level of USG and international community actors involved in disengagement planning -- including Quartet Special Envoy (QSE) Wolfensohn, Security Coordinator Gen. Ward, and A/S Welch -- has enabled the GOI to work for the first time on security and economy together. He criticized PA President Abbas for taking little action against terror and for  $\dot{}$ adopting a policy of political containment and adaptation towards Hamas. While the PA is foundering and Hamas is poised to take additional power in the upcoming PLC elections, he said, the PA can be reinvigorated if the "old guard" retires and new young Fatah leaders come to the fore. In his view, the GOI and the PA must use the current quiet interlude in their "collision course" to secure a better economic future for Gaza, including international investment in agribusiness and the crossings. End summary.

USG and International Involvement Creates Unique Opportunity

(C) Maj. Gen. Amos Gilad, head of the Ministry of Defense,s (MoD) Political-Military bureau, told EconCouns and USAID Country Director June 24 that the high-level involvement of USG and international officials in disengagement planning has enabled the GOI to more comprehensively address civil and security issues. the first time we can really work based on the principle that there is no security without economy, and no economy without security, 8 he said. Quartet Special Envoy Wolfensohn has the unique ability to shape a brighter economic future for Gaza, he explained, while Security Coordinator General Ward, NSC director Abrams, and A/S Welch represent &the top levels of the U.S. government8 on security and strategic policy. Gilad expressed his doubt that such an opportunity would arise again.

## Abbas and PA Foundering But Not Hopeless

- (C) In Gilad, s view, PA President Mahmoud Abbas is sincere in his desire to combat terrorism, but is not using his considerable influence in order to dismantle terrorist infrastructure because he believes that the current of calm" is sufficient. On Hamas, Gilad said Abbas prefers containment and adaptation over direct confrontation, a policy that will prove problematic in the long run since Hamas remains committed to armed struggle against Israel and is using its civil institutions to support its terrorist activity. Gilad complained that while "everyone, including the international community" knew that wanted terrorist Hasan Madhum was behind the recent attempted suicide bombing at a Beer Sheva hospital by Jabaliya resident Wafa al-Biss, Abbas and the PA have done nothing to catch him. Despite Abbas's 75 percent approval rating amongst Palestinians, Gilad predicted that he will be forced by circumstance to resign unless he takes concrete actions now to strengthen himself. Without Abbas,s directive, he said, the security services cannot act against terrorism. "The U.S. gives Abbas a kind of 'Chapter 11' immunity from criticism," Gilad asserted, "but Israel needs a real partner, not a symbol."
- (C) Gilad described the PA as weak, charging that "the PA doesn,t need a Prime Minister, and Abu Ala, a is ineffective and dangerous," that Finance Minister Salaam Fayyad is intelligent and honest but stands alone, and that Civil Affairs Minister Dahlan is influenced by his corrupt trade interests, and must be pressured by the U.S. to take on more responsibility for Gaza's future. Hamas's influence is increasing in Gaza not because the Palestinian people are extremist or religious, he explained, but because they hate Fatah's corruption. According to Gilad, Hamas has the potential to win over one third of PLC seats in the upcoming elections. In order for Fatah to have a chance, he said, Fayyad will have to "send all the old idiots" to pension, and the PA will have to allow a new cadre of young, energetic leaders to come to the fore.

Security and Economy in Post-Disengagement Gaza

(C) Gilad was pessimistic about longer-term GOI-PA coordination and negotiations, arguing that the two sides are on a "collision course," and must use the current interim period of calm to resolve as many technical and security issues as possible to ensure disengagement's success. view, the PA will require significant additional economic assistance following disengagement, particularly directed toward Gaza's agriculture sector. He asserted that the settlement greenhouses are a potential "goldmine" for the Palestinians, and expressed frustration with what he termed the PA's lack of initiative in ensuring they are transferred intact. Gilad also underscored the need for improvements at the Gazan border crossings, stating that Karni terminal used to process upwards of 800 trucks per day during the period when he served as Coordinator of Government Activities in the Territories, while it is "lucky to process 200 now." (Note: Several GOI and Gazan private sector contacts have said that Karni is now processing approximately 600 trucks per day, but that imports from the West Bank are routinely delayed up to two weeks at the crossing. End note.) On utilities, Gilad argued that the PA is ready to take on responsibility for supplying water, gas, and electricity, but its continued insistence on politics rather than practicalities has prevented this. On Rafah and the Philadelphi corridor, Gilad and the table that the table to the table that the table table that the table said that the IDF will only leave the area if the PA demonstrates it can cope with terrorism. Contrary to press reports, he noted, the Israeli-Egyptian agreement currently in the approval process will not include the IDF's departure from Philadelphi.

Extra Bodies in Sa Nur No Problem

(C) In response to a question, Gilad asserted that he is not worried about an influx of settler youth and other opponents of disengagement into the northern West Bank settlement of Sa Nur. &Withdrawal will be carried out on schedule, regardless of whether it is hard or easy, 8 he asserted, expressing confidence that the IDF, s field commanders will be capable of handling the situation.

Visit Embassy Tel Aviv's Classified Website: http://www.state.sgov.gov/p/nea/telaviv

You can also access this site through the State Department's Classified SIPRNET website.

KURTZER